

India-EU Relations

India-EU relations date to the early 1960s, with India being amongst the first countries to establish diplomatic relations with the European Economic Community. A cooperation agreement signed in 1994 took the bilateral relationship beyond trade and economic cooperation. At the 5th India-EU Summit held at The Hague in 2004, the relationship was upgraded to a 'Strategic Partnership'. The two sides adopted a Joint Action Plan in 2005 (which was reviewed in 2008) that provided for strengthening dialogue and consultation mechanisms in the political and economic spheres, enhancing trade and investment, and bringing peoples and cultures together.

Political Dialogue

The first India-EU Summit took place in Lisbon in 28 June 2000 and marked a watershed in the evolution of the relationship. Since then, twelve annual Summits have been held, the last one in New Delhi on 10 February 2012. The 12th Summit was the first Summit to be held in India after the entry into force of the Lisbon Treaty. The then Prime Minister, Shri Manmohan Singh led the Indian delegation while the EU was represented by Mr. Herman Van Rompuy, President of the European Council and Mr. Jose Manuel Barroso, President of the European Commission. The two sides reviewed bilateral relations as well as exchanged views on regional and global issues. The leaders expressed satisfaction at the intensification of negotiations on the Bilateral Trade and Investment Agreement, welcomed the enhanced cooperation in the field of security, and called for finalization of an agreement on R&D cooperation in the peaceful use of nuclear energy. The two sides also signed a Memorandum of Understanding on Statistics and issued Joint Declarations on Research and Innovation Cooperation and Enhanced Cooperation in Energy. The 13th Summit could not be held in 2013 and is expected to take place in late 2014/early 2015.

India and the EU also interact regularly at the Foreign Minister level. The 23rd India-EU Ministerial Meeting took place in Brussels on 30 January 2013. The then External Affairs Minister, Shri Salman Khurshid, led the Indian delegation while the EU side was led by High Representative for Foreign Affairs and Security Policy, Baroness Catherine Ashton. Bilateral relations as well as international and regional issues of mutual interest were discussed at the meeting. The two Ministers met again on 11 November 2013 in New Delhi in the margins of the 11th ASEM Foreign Ministers' Meeting hosted by India.

Both sides have recently instituted Foreign Policy Consultations at the level of Secretaries. The first meeting took place in New Delhi on 15 November 2011, followed by a second round in Brussels on 20 July 2012. The last round of Foreign Policy Consultations was held in New Delhi on 24 January 2014, led by Mr. Dinkar Khullar, Secretary (West), MEA and Mr. David O'Sullivan, Chief Operating Officer, European External Action Service.

A Security Dialogue envisaged under the Joint Action Plan is held annually since May 2006. The sixth round was held in Brussels on 25 October 2012. A bilateral Joint Working Group on Counter-Terrorism reports to the Security Dialogue, as do dialogues on Cyber-Security and Counter-Piracy. In 2013, both sides also agreed to the institution of a dialogue on non-proliferation and disarmament under the umbrella of the Security Dialogue, and the first meeting of this dialogue took place in New Delhi in May 2014.

An annual India-EU Ad-hoc Dialogue on Human Rights is held in New Delhi, the eighth meeting of which took place on 27 November 2013. There is also a Delhi-based Joint Working Group on Consular Issues. In addition, a High-Level Dialogue on Migration and Mobility has been instituted at Secretary level between the Ministry of Overseas Indian Affairs and DG Home Affairs, the third round of which took place in New Delhi on 2 July 2012.

Parliamentary Interaction

A Delegation for Relations with India (D-IN) was formally constituted in the European Parliament (EP) in 2007 to follow relations with India. Ambassador of India, Mr. Manjeev Singh Puri, last addressed the D-IN on October 16, 2014, following constitution of the new D-IN in the European Parliament after the May 2014 elections and exchanged views with MEPs on issues of mutual interest. Select members also pay an orientation visit to India every year, and the last such visit took place from 29 April to 3 May 2013.

Following elections to the EP in May 2014, a new D-IN has been constituted consisting of 43 members drawn from various political groups in accordance with their numerical strength in the EP. The chairperson of the new delegation is Mr. Geoffrey Van Orden.

Economic & Commercial Relations

The EU as a bloc of 28 countries is India's largest regional trading partner while India was the EU's 10th largest trading partner in 2013. Bilateral trade in goods registered a decline of -4.09% in 2013, being valued at €72.70 billion as compared to €75.80 billion in 2012. Indian exports to the EU amounted to €36.8 billion during 2013 as compared to €37.33 billion in 2012, showing a decline 1.42%. India's imports from EU stood at €35.9 billion in 2013 as compared to €38.47 billion in 2012, showing a decline of 6.68 %.

India's bilateral trade during the first five months of 2014(Jan-May 2014)with the EU28 was € 29.5bn reflecting a decline of 7.5% as compared to the same trading period in 2013 when it was € 31.9bn. The fall in bilateral trade was mainly due to a decline by 10.9 % in EUs exports to India (at € 13.9bn) in this period as compared to the exports of € 15.6bn during the first five months of 2013 to India. India's export of goods to the EU valued at €15.6bn also declined by 4.3% compared to exports in the same trading period of 2013 when it was valued at €16.3bn.

Bilateral trade in services was €23.9 billion in 2013 as compared to €22.5 billion in 2012, thus reflecting an annual growth of 6.22%. India's services exports to the EU were valued at €11.22 billion and Indian services imports from the EU were valued at €12.70 billion, reflecting a trade balance which continues to be slightly in favour of the EU by €1.48 billion in 2013 as against €0.5 billion in 2012.

The EU is one of the largest sources of Foreign Direct Investment (FDI) for India. FDI inflows from the EU to India were €5.48 billion in 2012 and €3.2 billion in 2013. Indian investments in the EU28 were €0.4 billion in 2013. The most important EU countries for FDI inflows into India in 2013 were the UK and Germany (with both investing €0.9 billion each), followed by Italy (€0.6 billion) and Belgium (€0.2 billion).

India and the EU are in the process of negotiating a bilateral Broad-based Trade and Investment Agreement (BTIA) since 2007 which will significantly enhance the commercial relationship once implemented.

The India-EU Joint Commission dealing with economic and commercial issues meets annually, as do its three Sub-Commissions on Trade, Economic Cooperation and Development Cooperation. The last Joint Commission meeting at the level of Secretaries was held in New Delhi on 26 June 2014 and the last meetings of the Sub-Commissions on Economic Cooperation and Trade were held in Brussels on 6-7 March 2014, while the Sub Commission on Development Cooperation met on 3 June 2014 in New Delhi.

In addition, there are Joint Working Groups on Textiles and Clothing, Agriculture and Marine Products, Technical Barriers to Trade and Sanitary and Phytosanitary Issues, Pharmaceuticals and Biotechnology (SPS/TBT) as well as Food Processing Industries, which meet regularly to enhance sector-specific cooperation.

A Macroeconomic Dialogue at Secretary level along with a Dialogue on Financial Services Regulations has also been instituted and takes place annually. The 7th India-EU Macro-Economic Dialogue was held in New Delhi on 4 June 2014, as was the Dialogue on Financial Services Regulations.

Cooperation in the field of Science & Technology is also moving apace. The India-EU Science and Technology Steering Committee meets annually to discuss cooperation in the field and held its ninth meeting in Brussels on 9 October 2013. A meeting of the Co-chairs of the India-EU/Member-States Group of Senior Officials (GSO) took place in Brussels on 17-18 June 2013, followed by the first meeting of the GSO in Brussels on 8 October 2013 via video-conferencing. A Dialogue on Information & Communications Technology has also been instituted, with the last meeting taking place in Brussels on 3-4 September 2013, which included a Business Dialogue which was held on 3 September.

India and the EU set up an Energy Panel in 2005 to enhance cooperation in the critical sector of energy and energy security. The last meeting of the Panel was held in Brussels on 27 March 2014. Mr. Dinkar Khullar, Secretary (West) led the Indian delegation. Separate sub-groups have been constituted under the panel

dealing with coal and clean coal conversion technologies, energy efficiency and renewable energy, etc. The Joint Working Group on Clean Coal Technologies last met from 17-19 June 2013 in Brussels and the India-EU Coal Working Group had its eighth meeting on 28 November 2013 in Chennai.

As envisaged in the Joint Action Plan, a Joint Working Group on Environment dealing with prevention of pollution, waste minimization, protection of biological diversity, sustainable forest management, environmental education, etc. has been created and held its eighth meeting in Brussels on 10-11 April 2014. An Environmental Forum bringing together academia, business and civil society to have an exchange of views on specific environmental issues also meets annually.

Civil Society, Cultural & Educational Contacts

The India-EU Forum has emerged as an important Track II forum for discussion between policy analysts on both sides. It is led by the Paris-based European Union Institute for Security Studies and the Indian Council of World Affairs and includes participation from academics, think-tanks, and on the EU side, even policy makers. The fifth India-EU Forum was jointly organised by ICWA and EUISS in collaboration with the Spanish think-tank FRIDE in New Delhi on 29-30 April 2014.

The framework of India-EU cooperation in the fields of education and culture is provided by three Joint Declarations signed in recent years covering cooperation in the fields of Education and Training, Multilingualism and Culture. The first Senior Officials Meetings on Education and Multilingualism were held at Secretary level in Brussels on 25 May 2011, followed by a second round in New Delhi on 17 April 2013. The Policy Dialogue on Culture was launched at Secretary level in New Delhi on 18 April 2013.

The EU leadership also participated actively in the Europalia-India festival inaugurated in Brussels on 4 October 2013 by President Pranab Mukherjee and King Philippe of Belgium. The President of the European Council, Herman Van Rompuy attended the inaugural ceremony of the festival and addressed the gathering. Commission President Jose Manuel Barosso inaugurated the second major exhibition of the festival called 'Indomania' on 15 October 2013.

Bilateral Agreements

Over the years, India and the EU have signed a number of bilateral agreements and MoUs, notably a Science & Technology Agreement (2001, renewed in 2007), Joint Vision Statement for promoting Cooperation in the field of Information and Communications Technology (2001), Customs Cooperation Agreement (2004), Memorandum of Understanding on Cooperation in Employment and Social Affairs (2006), Horizontal Civil Aviation Agreement (2008), Joint Declaration in the field of Education & Training (2008), Joint Declaration on Multilingualism (2009), Agreement in the field of Nuclear Fusion Energy Research (2009), Joint Declaration on Culture (2010), MoU on Statistics (2012), Joint Declaration on Research and Innovation Cooperation (2012) and Joint Declaration on Enhanced

Cooperation in Energy (2012). A MOU on Competition was signed between the Competition Commission of India and DG Competition on 21 November 2013 in New Delhi.

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